

This report was generated based on the field observations. Further, information was gathered through interviews, group discussions and review of available records and other information sources. Beneficiaries, government officials, implementing partners (IPs), and service providers were used as key informants to obtain first-hand information. Also, Sustainability Indicator gives a sense of potential sustainability (Note: This is does not based on through in-depth analysis.)

BACK TO OFFICE REPORT

Mannar- Vavuniya from 1st -5th August 2016.
SDDP Project

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OBSERVATIONS/RECOMMENDATIONS**Mannar District****i). Murunkan seed paddy facilities at agriculture Dpt farm**

During the last Yala season- 2016, machines were used for grading and purification of seed paddy produce in the Department owned farm (72 Ac), contract farmers, private farmers etc. As per the records it was revealed that more than 132,000 Kg (6,600 Bushels) of seed paddy were produced for the benefit of Mannar and the adjacent district farmers. In addition, this initiative is expected to benefit at least 3,000 farmer families who are scattered in the above mentioned district as they can obtain quality seeds (certified seeds) for their cultivation. Initially they used genetically degraded seeds; resulting low yields. Further, ground nut machine helps them to produce quality groundnut seeds, providing high demands.

Recommendations:

- Maintain records and capture the growth of the operation, so that the planning of the next season would be done efficiently and effectively. Streamline available information to identify the added advantages obtained due to the installation of new machineries
- Take necessary steps to expand the out grower systems and service provisions for the private farmers. Besides last season only 835 Bu of paddy were owned by the private farmers at a rate of Rs. 40 / Bu. Therefore, additional income will help institution to maintain machineries without depending on government funds.
- Groundnut grower system should further strength as groundnut seeds have more demand within and outside of the district.

Overall Rating: ■ Sustainability aspects in place.

ii) Murunkan WRDSF Mini Garment Factory.

This is a joint initiative with ILO, and 25 beneficiaries from the WRDS Federation were trained to improve their skills and knowledge on garments and related products, further 16 beneficiaries work full-time. On the bright side, one of the private sector investor has come forward to link their company with the Murunkan WRDSF Mini Garment Factory by giving them regular orders (Shorts). Even though, the formulation of the agreement between these two entities is underway, the Private entity has agreed to pay a piece rate (Rs 100 per short), and also the monthly rent (Rs30,000) and electricity bill. Accumulated fund from rent and other sources will be utilized for maintenance of facility.

Recommendations/Follow up:

- Need to expedite the agreement between the private business partner and the R/WRDS Federation in order to commence business operations legally. Failing to do this immediately will demotivate the beneficiaries.
- Further it should be closely monitored, at least the first six months in particular- giving emphasis to the creation of the maintenance fund.
- Need for coordinating embroidery training with Singer, and programming of machinery for different designs. So, need to liaise with Singer for these requirements.

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

iii) Spice Processing Center Murukkan (WRDSF)



Nearly 4000 Members represent this Federation (members from 51 RDS and 53 R/WRDS) . Construction of this Center has been completed and Machinery installation is in its final stage, hence operations are expected to begin in another 2 weeks' time.

Recommendations/ Follow-ups:

- Need to give special attention and follow-up once the operations are initiated. Moreover, focus should be on mentoring and counselling
- Further the need to work on proper marketing strategy (updating marketing plans) in order to compete with other popularized brands.
- The need to set appropriate level of scale of operation to run as viable business- considering some of the fixed costs & variables.

Overall Rating: ■ Need more remedies/ attention on sustainability.

iv) Nanatan MPCS – rice, Seed Paddy and Spice Processing Facilities.



Nanathan MPCS supported to renovate store and rice flour/spice grinding unit with equipment, lorry and business development. Currently Rice Processing Unit produces around 4,000 kg of rice per week, sending it to different markets including Mannar, Vavuniya etc. MPCS consist of 05 sales outlets (owned by MPCS) which will cater to more than 3,000 members.

Further this project has supported in the seed paddy production/store facility and MPCS is capable to distribute more than 5,500 bushels in both Maha and Yala season. This will facilitate to cultivate more than 2,500 Ac benefiting more than 1,000 farmers. Further with the improved facilities MPCS is able to support pregnant mothers' feeding programme by providing 200 food rations every month.

Recommendations/Follow up:

- Business operations are still not fully aligned with the business plan and targets, also the available facilities are underutilized. Especially rice processing facilities is not fully utilized (it has high capacity machines for mass production)
- Should switch markets without mainly depending on Vavuniya and Mannar. Colombo will be a good option, since they have more production capacity and transport facilities, hence its worth to explore new markets.
- Working capital seems to be limiting factor to expand business operations, and MPCS board along with membership should decide ways to overcome this ,Since they need short loan (for paddy purchasing etc) and due to considerable asset base they will be able to approach banks to get required financial facilities.
- Need to follow up on machinery commissioning and commencing of rice floor/ spice grinding facilities.

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

v) Handloom Center (Collaborative project with Provincial industrial Department)



Nanatan Handloom center was earlier functioning under the purview of the Provincial Industrial Department and due to various reasons its operation ceased during the last couple of years. Building was abandoned and most of the machineries were unusable. Under

the SDDP Project renovation works of the facility including repairing of machineries were undertaken. Further the project supported the training of 20 women in order to start operation. Mr Mihilar is a well experienced resource person who's having more than 20 years' experience in handloom sector. He provides his expertise to upgrade facility to commence production and further he will assist Provincial Department to conduct required training programme.

It is important to expedite repair of existing 10 machines and placing new 10 machineries to commence operation. Since the center acts as a production and training center, it is important to explore possible markets. Initially it is advisable to link with Vavuniya Center which is in much higher maturity level.

Further Mannar group can get good exposure and practical experience from Vavuniya group. Also it is important to facilitate the required working capital to run this center. In addition, roles and responsibilities of provincial department and producer group should be defined in order to avoid future confusions.

Recommendations/Follow-up:

- Expedite machinery rehabilitation and new machinery installation.

- Finalization of selection of women for trainings.
- Define roles and responsibilities of provincial department and the producer group- (after formation)
- Link with Vavuniya/ Batticaloa groups to get exposure trainings on new production technics.

Overall Rating: ■ Need more remedies/ attention on sustainability.

vi) Veterinary Training Center (Uiyankulum)

This facility is very important for the training of livestock farmers as many districts do not have such facility. In Mannar district more than 4,069 families engage in dairy industry and this center is expected to provide trainings on animal husbandry.

Currently more than 90% of the construction works are completed and some of the observations are as follows.



Pic: Front area where backfilling is needed

The current contract is not mandated to carry out backfilling construction but it is very important to note that there is a tendency of water logging is high during rainy seasons, hence creating difficulties to access the building.



Pic: Some unfinished works.



Pic: Window which is not properly aligned

Recommendation/ Follow-up:

- Follow up with contractor/RDC to rectify some of the defects, prior to handing over.
- Need to discuss with Animal production and health on backfilling construction and possibility to assure completeness of unit.
- Facilitation to formulate training calendar to assure utilization of facility (Once operation is commenced).

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

vii) Vedithalative harbor - Access channel deepening, Gabion wall constructions, other associated works.



There are 247 fishing families with 500 fishermen in Vidathaltivu, engaged in fishing, using more than 100 boats and 150 vallams. These fishermen face difficulties in accessing the sea due to the silted shallow access way and harbor. Fishermen face difficulties in bringing fish to the seashore especially during low tide. Deepening of harbor and access way will reduce their difficulties. Further this will facilitate to reduce post-harvest losses happening due to extended transport time. At present deepening of harbor area and gabion wall construction in completion stage.

Anolda channel construction will commence in another 2-3 weeks' time during the low tide period. Construction of concrete poles are just about to begin.

During the discussion with Assistance Director (AD) of fisheries department and community emphasized that depletion of fish resources is one of the major challenges that they are facing right now. They pointed out that illegal fishing practices such as dynamiting and using of banded fishing gears create this issues. Also since this is mangrove rich area, this has provided very good breeding grounds for many fish species. But excessive use of fishing nets close to mangrove area most of the matured fishes cannot even reach to breeding points as they caught prior to that. If this happens for another consecutive year, most of the marine and brackish water fishes will be disappeared by creating significant losses to livelihoods of families depending on this resource. Hence it is proposed to conduct rapid study on available resource, ongoing fishing activities, alternative income generation possibilities (eco-tourism) along with awareness creation campaign.

IFC & UNDP combined Eco-tourism initiative, show some progress as they started commercial operation in small scale. Especially after distribution of required equipment and exposure visit to Kalpitiya, now they are capable to provide professional services to visitors. IFC further strengthens them with required capacities. Due to this recent development this youth group are able to initiate working arrangements with "Palmyra House" hotel to send

tourists who are willing to see mangroves and unique coral reef located in 4 km away from the mangrove area. As per the arrangement made with “Palmyra House” 1st group of foreign visitors visited the area and many positive feedbacks were received.



Recommendations/ Follow-ups:

- Need to expedite remaining works before start of the rainy season (before end of September) as Anolda canal deepening cannot proceed during the rainy season.
- Find possibility to undertake study on “sustainable fishing practices and eco system restoration”. IUCN has showed interest to provide required technical support for this for a nominal fee. After the study Community/ fishermen awareness is crucial for sustainability of the intervention.
- Further strengthening of youth group to engage with eco-tourism intervention is needed. For this purpose some funds are reserved in PCA and needs to finalize interventions at its earliest. .

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

Viii). Palmyra Women group – Savathkatti



This group is traditionally producing winnowing fans for the local markets. Currently 25 women are engaged in the production and 15 more are willing to join this group. They have excellent skills on making this product but due to the shrinking market demand and cost of production, it's visible that they need to shift to other products which can be linked with high end markets. In this sense the project will support the group formation and obtain formal registration, training on new product development including dyeing techniques and marketing facilitation.

Recommendations/ Follow-ups:

- Support for group mobilization and registration
- Provision of training on product diversification/ New product development
- Facilitation for link with new markets market

(PCA partners should follow and commence activities as per the UNDP project office directions).

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

ix). Palmyra Processing Center – Tharavankottai



Tharavankottai processing center mainly focuses on g Odial and pulp production. Construction work is currently on-going and 15-20% work has been completed.

Recommendations/ Follow-ups:

- Need to follow up on the ongoing construction work, special attention needs to be drawn to the completion of the roof work before the start of heavy rains.
- Regular supervision is important (By RDC) to assure quality of work. Some minor issues like aligning of walls, foundation works can be seen.
- Group mobilization required to commence.

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

x). Nagathalave Road



Pic: Road and paddy field remain at the same elevation, leading to frequent flooding.

Nagathave Road is important in order to access many paddy lands. Projects have been undertaken to renovate the road including construction of culverts, construction of damaged stretched by graveling and compaction. But during the previous rainy seasons some of the road segments were damaged due to flooding and water overflow. One of the reasons for this is that some segments of the road and paddy field remain at the same level of elevation.



This road segment was damaged due to water runoff as a result of excessive rains occurred in last May. During construction original culvert location was shifted to another location (around 100m from original one) and it seems that this had happened due to mislead information received during the community consultation process. Anyway, this is good lessons learnt, to emphasize requirement of proper prior assessments giving due consideration to community consultation along with technical expertise on prevailing hydrological aspects.

Recommendations/ Follow-ups:

- Need to rectify damaged sections and handover to relevant authority
- Need to explore possibility of setting up of maintenance mechanism in collaboration of farmers and local authority after handing over

Overall Rating: ■ Need more remedies/ attention on sustainability.

xi). Periamadu Rice Mill/Grinding and Storage Facility, Manthai West MPCs.



Though paddy cultivation is high in this area, paddy is sold as a raw product without any processing. This results in low income, further this is very much open to price fluctuations during harvesting period. By providing a paddy store, project is expected to buy paddy from at least 200 farmers of Periyamadu for the government certified price and sell it during off seasons when demands rise. Also by providing a paddy and OFC processing unit, project is expecting the MPCs to sell value added secondary products such as flour, chilli powder in their other 11 outlets, thereby obtaining high income for the farmers and tapping seasonal demand opportunity.

However, the recent updates revealed that the MPCs has not yet fully utilized its facility as it was expected by the project. This could be due to operations being started only 04 months ago and needs some time to kick off to its expected level. But, preparedness for optimum use of facility is not adequate enough to capture the targets set by the business plan.

Recommendations/ Follow-ups:

- Need to review business plan and streamline/reformulate operational plan to sustain the Unit with correct scale of operation. Currently it depends on providing milling services to villages. This is not enough to sustain this Unit and they need to initiate paddy purchasing and produce rice for outside market with own branding.
- Value addition products are not yet visible and they need to pay attention on this to utilize existing machines.
- Record keeping is very poor and more improvement is required.
- Adjacent to this facility, construction of a school building has begun (Primary section) and this will create future issues considering environment/health aspects. It is advisable to inform this to relevant authorities in written, to avoid future confusions.

Overall Rating: ■ Need more remedies/ attention on sustainability.

xii). Periamadu Gravel Road.



Periyamadu nternal Gravel Road provides access to around 200 ac of paddy lands and prior to renovations, farmers faced utmost difficulties due to worse condition of the road during rainy sesons. Specifically it should be noted that during rainy periods it was very difficult to use machineries and further, there were difficulties to transport harvested paddy to the markets. By renovating these roads farmers can reduce cost of production and will be motivated to cultivate during both the seasons. In this sense, production will increase and income of the farmers will increase.

However, sustainability issues are created due to the water supply canals being located of either sides of the road. As entire cultivation period middle of the road will be wet condition due to seepage water. This condition is very vulnerable to road damage and even light vehicles cannot travel without damaging the road. Some of the malpractices of the farmers also trigger towards the worsening of the situation.

Recommendations/ Follow-ups:

- Need to explore possible solutions through consultations with the engineering team, farmers and relevant government departments

Overall Rating: ■ Need more remedies/ attention on sustainability.

xii). Madu Market



Madu area is an emerging town, somewhat far away from Vavuniya and Mannar main roads. During the last decade there were no significant developments in this area.

The newly developed mini market center provides many services to local communities as well as to the people who arrive from outer districts to visit the Madu Church.

Recommendations/ Follow-ups:

- Need to follow up on the complete utilization of different elements of this facility. Especially the main hall attached to this facility is not utilized yet and it is proposed that it should be used for training facilities under the direction of the DS office.
- Ashop allocated to a FAO producer group has not begun their operation. This needs to be followed up with FAO.

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

xiii) YED Beneficiary – P.G Peries (Fruit Drink Production)



P.G Peries is one of a YED beneficiary who used to produce ice packets. During the YED training he identified fresh fruit drink production as a viable business to diversify his business portfolio. In line with this thinking he has developed business plan considering aspects such as; marketing, production, organizational mgt and finance etc. Further he has obtained technical training from Cathirich Training Center with the help of the Project. Also during Bankers Forum his business plan was highly recognized and he got positive responses, Further, SANASA Bank offered Rs. 1.5 Mn for his business expansion. Now he is willing to upgrade his processing unit at least to meet the GMP standard which will lead to SLSI certification. Currently he has given 9 employment opportunities (07 F, 2 M) and monthly he produces around 6,000 bottles.



Material stock

Finish products

Store & residence

During this visit the Team identified the need to upgrade the quality of the products (particularly Mr. Peries does not have a brix meter/refractometer to regulate sugar level) and also he uses high level of preservatives. Further he requires guidance to design a processing Center to meet at least the minimum standards.

Recommendations/ Follow-ups:

- Link with ITI for product quality testing and planning of processing center.
- Providing business mentoring/ counseling support at least for another 6-month period, as he's still in the growth phase of his business.
- Need to develop a case story capturing his success story due to YED involvement.

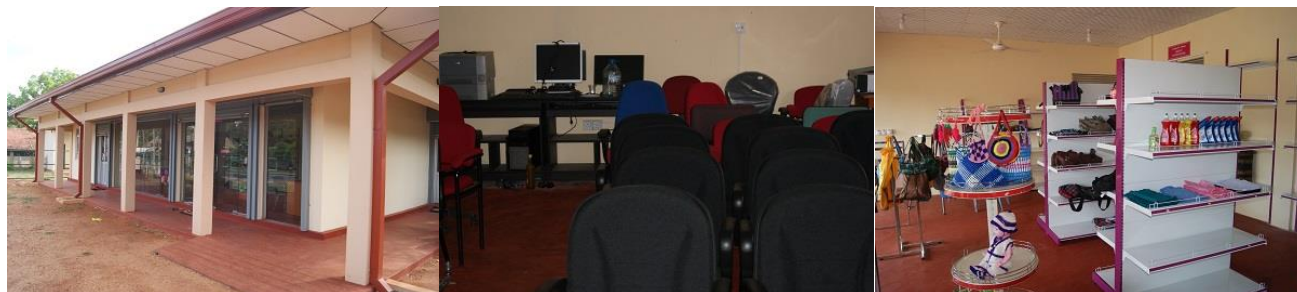
Overall Rating: ■ Some actions towards sustainability need to be incorporated.

Discussion with PCA partner – Offer

- **YED** – 05 trainings programmes were completed and 93 beneficiaries completed their business planning and were eligible for complementary trainings. Additionally, 17 YLD beneficiaries were selected and was supported to initiate their own businesses. So, all together 110 targets were achieved from 125 as per the contract. Complementary support provision is ongoing and agreed to complete before end of September. Also it was decided to provide details on beneficiaries who are eligible to obtain bank loans.
- **Non YED** - Discussed some deviations and was required to support some beneficiaries as per the changes in ground situation. This has discussed in details to see possible options to provide support.
- Documentation related to both YED and non YED discussed in detail and observed requirement of stream line record keeping process. UNDP agreed to share sample document sets related to YED as a guidance.

Vavuniya District

i). Vengalcheddikulam (VCK) LED Center



Vengalcheddikulam (VCK) LED Center was developed as a one stop service Center for the SMEs and the other producer groups to get required BDS services including trainings, advices, marketing support and other government services through different officials. This project has supported separate office area with required facilities within the center to accommodate officers such as Science and technology officer (Vidatha Officer), Women Development Officer, Human Resource Development Officer (HRDO), Industrial Development Officer, Social Service Officer and Rural Development Officer. This arrangement was facilitated to them to support needy people in order to avoid duplication. After this initiation they developed one data base indicating different needs of people. Recent past Center has provided some services such as facilitation for market support, access to finance though BOC Savbagya loan scheme with the recommendation of vidhatha officer and also Vishwa Society revolving fund. Wishva is a one of the registered society under this Center with the membership for around 156 and predominantly (99%) of women entrepreneurs represent this society.

This facility has supported both livelihood and governance components (under the service delivery improvement) of the project.

Recommendations/ Follow-ups:

- Even though the Center provides some services on an ad-hoc basis, it important to have a training calendar targeting the needs of the SME.

- Also it seems that the Center does not develop training/service packages to attract potential SMEs who need capacity enhancements.
- Particularly training area seem underutilized and should streamline maintenance of facility.
- Product Display and marketing section is still on an early stage and need aggressive marketing campaign within and outside the district. Other than local sales it is advisable to develop this Center as a marketing hub to link with outside markets.
- Visibility needs to improve.

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

ii). Batik producing group.



08 women are working together and the Project has supported by providing training, equipment and construction of dying tanks etc. Additionally, group has supported to visit Colombo and Kandy and also to formulation of the business plan. Currently they have continued orders from some shops in Vavuniya and they intend to have an agreement with one vendor in Colombo namely “Lakham”.

Further, shortage of working capital is a limiting factor to expand their business.

Recommendations/ Follow-ups:

- Linking with bank to obtain required finances to fulfill working capital requirement.
- Facilitation for marketing activities to penetrate new markets such as taking part in trade fairs etc. Upcoming Batti and Ampara exhibitions would be good entry point.
- Need business counselling and mentoring support.

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

iii) “ Amma Archi” Traditional Food Center.



This is a joint initiative with Agriculture Department and the main objective of this project is to create employment opportunities/ income for local farming communities while promoting healthy foods to consumers. Currently 24 women are directly engaged with day to day operation while many other farmers are linked as raw material suppliers.

Proper working arrangement is in place and 05 women group work in 2 different shifts as 6 am – 12.30 pm and 12.30 pm- 7 pm. Also the Center has established the maintenance fund, further at each shift one women should pay Rs. 250 for this fund for the purpose of maintenance including cleaning. Average daily sale per shift per person will be around Rs 6,000 -7,000 and profit will be around Rs. 1,700. Out of the profit Rs. 1,000 needs to deposited daily in their dedicated bank account as compulsory savings.

During the visit it was revealed that the quality assurance should be streamlined as some quality issues were noted in the previous visits too.

Recommendations/ Follow-ups:

- Quality assurance should be streamlined.
- Need to give more attention on premises maintenances.
- 2nd and 3rd tranche under the Provincial Department LOA should not be released as some of the construction related components cover under CWC. Accordingly contract need to amend.
- Visibility materials/boards should be in place.

Overall Rating: ■ Sustainability aspects in place.

iv). Individual Beneficiary support

a) Thanusha (Non YED Beneficiary)



Thanusha is a woman with special needs, she started her own leather bag production unit and now she has extensive experience on leather based products. Last couple of years she worked for one of the shop in Vavuniya for daily payment. Currently she is producing good quality bags including ladies hand bags, school bags, lunch box bags for 09 shops in Vavuniya. Also she has already sent some samples to UK (Diaspora) and she is waiting for their feedbacks. Also as a result of project support (by providing machineries, technical know-how) she was able to secure a bulk order from UNICEF for school bags. As an initial bulk, she has handed over 75 bags for UNICEF's 'School Assistance Programme'.



She has secured Rs. 50,000 loan from People's Bank and currently has given one employment opportunity to another female beneficiary and she is willing to set up her own shop. Due to recent developments currently she is earning around Rs 20,000 net profit per month which will help her to uplift family income in a significant way.

Recommendations/ Follow-ups:

- Business mentoring and counselling support required at least for another 06-month period.
- Since she is willing to diversify her production to slipper making, there is a need to explore ways the Project can support this initiative.
- Record keeping need to improve.

Overall Rating: ■ Sustainability aspects in place.

B) Brambert (YED Beneficiary)



Brambert expanded his photography business as a result of YED involvement. Now he is one of the leading service provider in this sector providing both studio based services and outdoor shooting. During the business plan development he has encountered areas where he need to improve and as result he has given more attention to upgrading quality of photo

and videos. Also he has recognized the need of customer choice and hence he has introduced different types of video techniques as SD, FOK and normal with a price range from Rs 50,000 to 18,000 per event. Project supported him to develop a business plan, provision of lighting equipment as complementary support and linking with IFC for financial Mgt etc. One employment was created as a result of business expansion.

Recommendations/ Follow-ups:

- Business mentoring and counselling support required at least for another 06-month period.
- Need to improve physical evidence to convince customers (Sample albums and videos etc.) .
- Record Keeping needs to improve

Overall Rating: ■ Sustainability aspects in place.

C) Vishwanathan (YED Beneficiary)



Vishwanathan is a skillful youth who can produce quality leather products to high end markets. Prior to initiating his own production unit he worked for one of the factories in Colombo for a daily payment. As a result of the YED initiative he has developed a business plan and eventually supported to implement that with required machinery along with business counselling and mentoring. Further IFC has given financial mgt trainings covering important business

aspects. With the expansion of his business, now he supplies products to Vavuniya and beyond the districts such as Hanwella and Chillaw. Further he has secured orders from UNICEF and accordingly he has supplied 100 bags as a 1st consignment. During Bankers forum his business plan was evaluated by the bankers and SANASA Bank offered Rs. 350,000 for his business expansion. His goal is to open a shop in Vavuniya market to start a wholesale business.

Currently he is selling more than Rs 200,000 worth of products per month which is receiving around Rs. 50,000 of profit.

Recommendations/ Follow-ups:

- Business mentoring and counselling support required at least for another 06-month period.
- Need to prioritize products which give more returns. Marketing outreach should be considered when planning for wholesale markets.
- Record keeping needs to improve.

Overall Rating: ■ Sustainability aspects in place.

d) Mauriya (YED Beneficiary)



Muriya received a cutting machine, Juki Machines and business plan development along with counselling support from the project. As a result of this she has expanded her business by giving 2

employment opportunities to another 2 females and earned around Rs 20,000 in profit. Further HNB Bank were convinced by her business plan and offered her Rs 200,000 for working capital requirements. She is now planning to develop a for Mini- Garment Center to produce readymade garments which are more profitable.

Recommendations/ Follow-ups:

- Business mentoring and counselling support required at least for another 06-month period.
- Record keeping needs to improve.
- Market facilitation is important once the production is up-scaled

Overall Rating: ■ Sustainability aspects in place.

e) Nandani (YED Beneficiary)



Nandani is a 32 years old widow who is engaged in food packaging business as a result of YED initiative. Prior to that she had very limited earnings from backyard poultry and it was not enough for her daughter and herself. , besides she having so many difficulties to meet expenses related to daughter’s education.



Project has supported her with technical know-how and provided her with relevant equipment to start the food processing and packaging. Further she has been directed to get an additional support from the Rehabilitation Authority and she is expected to be provided with an additional support of Rs 100,000. Even though BOC selected her business plan to finance (Rs.75,000) she was not able to obtain a loan due to collateral issue (2 guarantors).



Currently she is having little difficulties to expand her business due to working capital issues and the Project will explore possible ways to support her.

Recommendations/ Follow-ups:

- Business mentoring and counselling support required at least another 06 month period.
- Record keeping needs to improve.
- Need to explore support provision for working capital issue.

- Follow up with the Rehabilitation Authority with regard to her additional support.
- Linking with FAO to support for back yard poultry farming.

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

f) Mangaleshwari (YED Beneficiary)



Mangaleshwari applied for YED initiative in order to diversify her retail business to other areas (stationary products). She prepared a business plan and underwent business management training to drive her business to a more competitive standard.

As complementary support project has supported her with display cupboards, however, even after 03 months she has not taken necessary steps to set it up, and to utilize it for new area of business which she initially planned. .

Recommendations/ Follow-ups:

- Business mentoring and counselling support required at least for another 06-month period.
- Should request action plan from beneficiary for the pending activities with time line. Then it should closely monitor next 3 months period for activity execution.
- In case if the provided display cupboards are not utilized within the given period, it is important to take it in to DS custody until another suitable beneficiaries are found. (This provision is available as per the agreement between beneficiary and the DS/GA).

Overall Rating: ■ Need more remedies/ attention on sustainability.

V) Leather Producing Group registered under Provincial Industrial Department.



Leather producing groups consists of 10 women and one male, and they are registered under the Provincial Industrial Department as a producer group. With the help of project and the Provincial Department, they have setup a Production Unit cum Sales Center closer to the Vavuniya town (Station Road). This center produces different types of bags for different customer base within and outside of the district. As a result of project support group they are able to earn an average income of around Rs 400,000 monthly which will be shared among the members. It can be predicted that this amount will be increased as they are in the process of increasing their product range. Also during the last couple of months, groups were able to secure continues orders from Vavuniya based shops, also from some NGOs. Further, they have been linked with the diaspora community and samples have already been sent for their considerations.

Recommendations/ Follow-ups:

- Business mentoring and counselling support required at least for another 06-month period.
- Should facilitate for marketing activities and should suggest to support this group to take part in Batticalo and Ampara exhibitions. Also there is a need to explore opportunities to link up with outside markets like Colombo/Kandy as their product quality is up to standard.
- Record keeping needs to improve.
- Internal shop arrangement is weak and untidy. Raw material storage is not in order and can have a negative impact on final products.

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

VI) Palmyra Sweet Sap Ready to Drinking Production Center – Nadunkerny



This is the very first Palmyra sweet sap ready to drink production facility in Sri Lanka which will be a remarkable project in relation to Palmyra sector development. This initiative will contribute towards significant amounts of usage of sweet sap for alcoholic toddy production. During its full capacity, approximately 5000L of sweet sap will be converted in to non-alcoholic beverages giving economic and social benefits to target societies. Further this will create nearly 10 direct employments within the factory giving way for hundreds of toddy tappers to have a stable income.

Recommendations/ Follow-ups:

- Business mentoring and counselling support required- at least for another year
- Sweet sap collection network should streamline to get quality end products- need to initiate farmer awareness programmes, technology transfer on tapping methods and maintenance of quality (without fermentation), along with required tools and equipment.
- Should liaise with ITI /Palmyra Research Center to test sweet sap quality testing and finalization of machinery.
- Also it is advisable to have an exposure visit to Indian factory located in Kerala to get some exposure, as no other places are available within Sri Lanka. For this, funding availability from alternative sources such as co-op, provincial department etc. should be considered.
- Review of business plan is crucial, prior to commence of operation.
- Initiation of foreign market linkages is important as they cannot fully depend on local sales. For this co-op should explore opportunities via diaspora linkages.
- Need to follow-up with ITI to estimate daily water requirement for production operation including cleaning etc as water source (tube well) and storage tank (seems it will not enough) will be a limiting factor.

Overall Rating: ■ Need more remedies/ attention on sustainability.

VII) Fresh Fish- Value Added Sale Center and Processing Facilities.



Vavuniya is rich with inland fish resources as it has a number of reservoirs with high production capacities. Further it can be developed as a collection hub due to its access to other adjacent districts such as Mannar, Killinochchi and Mullativu which has similar potential too. Fish sales center cum processing center will serve for the fishing communities by assuring better prices for their products.

This project will be jointly implemented with the National Aquatic Development Authority (NAQDA), Vavuniya Fisheries cooperative society union (FCSU) and private sector partner (Divron) for the betterment of fishing communities. NAQDA will oversee the entire operations, while FCSU will handle the sales center, hence the sales center will provide space to market the fresh fish as well as the added products such as; smoke fish, dry fish and many other forms of fish products. Divron will handle the fresh water prawns' collection and semi processing within allocated space. In addition, Divron agreed to pay a monthly rent to the FCSU which will be utilized for maintenance.

Recommendations/ Follow-ups:

- Need to facilitate the tri-party agreement with NAQDA, Divron and FCSU. UNDP will be sharing the agreement formats- similar to the Jaffna initiative.
- Need to map/ quantify supply chains, considering all possible landing sites, and make prior arrangements to assure required quantities. Some gaps are identified in relation to logistic requirements and it is advisable to amend the current MCGA to cope with the changing situation.
- Under the MCGA some of the producer groups were mobilized and supported for value added products. It seems that they have not reached to the expected level of development, therefore there is a need to revisit in order identify ways that they can take back to business.
- It is important to establish a proper data and information handling mechanism. - Maintenance of records should be an integral part of this.
- It is important to think about the development of the member benefit package, as it can trigger attraction of new members and retention of existing members with great loyalty.
- Need to accelerate the on-going construction works- as society needs to initiate operations prior to rainy season.

Overall Rating: ■ Need more remedies/ attention on sustainability.

VII). Support for Seed and Planting Material Division in Vavuniya.



Seed and Planting Material Division of Vavuniya which is under the purview of the Department of Agriculture provides quality certified seeds for more than 14,000 ha within and outside of the districts. This benefits more than 5,000 to 6,000 farmer families. Further, the Project has supported in the rehabilitation of the storage facilities for both paddy and groundnut, cold store to maintain buffer stock, construction of sales outlet, construction of administrative building and ground nut seed producing machine. Due to the upgraded facility this Unit will be able to additionally produce and store 6,000 bu of paddy, 10 000 Kg of Other Field Crop (as 6,000 kg of ground nuts and 4,000kg of black gram). Other than the provision of quality seeds to the farmers, contract farmers will be able to receive around Rs. 60 Mn annually due to through the purchase of seeds.



The Cold Storage Facility was the first of its kind to be located in the Province. This helps them to keep a buffer stock up to 4-5 season without the deterioration and the germination ability.

Further this center has contributed towards the National Food Production Programme, providing necessary seeds to other parts of the country. For example; this unit has provided 39,000kg of black gram for the above mentioned programme during the recent past, especially for the cultivation in the Mahaweli areas.

In parallel, this project has also supported the Murukkan farm in Mannar district as it is one of the main supply point for this unit. The Project has supported its out grower system by providing seed processing machines. This farm is the only place where BG 406 variety is produced for the entire Northern region.

Since this center is catering to the entire Northern region with quality seeds and planting materials, hence increase in yields will facilitate more than 6000 farmer families with greater livelihood.



Recommendations/ Follow-ups:

- Follow up to full operation of sales center as it not up and running currently.
- Periodical data gathering as this can develop as case study.

Overall Rating: ■ Some actions towards sustainability need to be incorporated.

General Recommendation

- Development video clips (5 munities) for selected interventions. Following sector based intervention would like to propose.
 - Palmyra : capturing handicraft, Jugaery, sweet sap ready to drink, Pamposha and fiber.
 - Inland fisheries: Capturing marketing and processing hub, Value added products, fresh water prawns promotion with private sector (Divron), Technology transfer through NAQDA etc, Capacity building of FCS.
 - Seed and planting material development: Facilitation for seed paddy production vis provision of processing machines, storage facilities, OFC seed production, provision of cold storage for maintain seed buffer stock, establishment of sales outlet and administrative section. Further to support for Murunkan seeds producer farm as a strategic supply point.
 - SME Support: Support provision through YED and non YED beneficiaries capturing successful case stories.
 - Support for milk collection network: support provision for establishment of collection network, initiation and capacity building of producer groups, linking with private sector.
- Progress review with NDC, ITI, ISB and rescheduling of remaining activities.